

RESOLUTION 2005-40

A RESOLUTION CONCERNING COMMISSION RATIFICATION OF THE EXECUTIVE DIRECTOR'S WAIVER OF 68 IAC 5-3-2 AND APPROVAL OF BOYD GAMING CORPORATION'S PROPOSED PRIVATE PLACEMENT(S) OF SENIOR SUBORDINATED NOTES IN A TOTAL AMOUNT NOT TO EXCEED \$750 MILLION PURSUANT TO RESOLUTION 2005-24

The Indiana Gaming Commission (Commission) adopts the following resolution pursuant to the authority granted to it under IC 4-33 and pursuant to 68 IAC 1-2-6.

The Commission has considered the following factors:

1. Pursuant to IC 4-33-4-21, the Commission must review proposed debt transactions to ensure that a riverboat owner's license is not leased or hypothecated, or that money is not loaned or borrowed against the license.
2. In a letter dated April 13, 2005, Boyd Gaming Corporation ("Boyd"), the parent company of Indiana riverboat licensee Blue Chip Casino, LLC ("Blue Chip"), through counsel, requested Commission approval and/or appropriate waivers of approval requirements for the proposed issuance of Senior Subordinated Notes in a total amount not to exceed \$750 million.
3. Specifically, Boyd proposed one or more Security and Exchange Commission Rule 144A Private Placements(s) of Senior Subordinated Notes ("Notes") in a total amount not to exceed \$750 million. The Notes will mature ten years after issuance and will bear an interest rate not to exceed 8%. Boyd expected to file the Notes as public offerings within one hundred and eighty (180) days of the completion of the Private Placement(s).
4. In a letter dated May 20, 2005, after analyzing the proposed debt transaction in accordance with the provisions of Resolution 2005-24, Executive Director Ernest Yelton issued a waiver of 68 IAC 5-3-2 such that the Private Placement(s) could proceed without the approval of the full Commission and without satisfying the "two meeting requirement" of 68 IAC 5-3-2(2) and (3).
5. 68 IAC 5-3-7 requires that such waiver be reported at the next business meeting in order that the Commission may have the opportunity to direct the Executive Director to take additional or different action.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1: SCOPE

This resolution applies to Boyd Gaming Corporation.

SECTION 2: DEFINITIONS

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

SECTION 3: RATIFICATION OF THE EXECUTIVE DIRECTOR’S WAIVER OF 68 IAC 5-3-2 AND APPROVAL, PURSUANT TO RESOLUTION 2005-24, OF BOYD GAMING CORPORATION’S PROPOSED PRIVATE PLACEMENT(S) OF SENIOR SUBORDINATED NOTES IN A TOTAL AMOUNT NOT TO EXCEED \$750 MILLION.

The Commission hereby;

RATIFIES

(RATIFIES OR DENIES)

the Executive Director’s issuance of a waiver of 68 IAC 5-3-2 pursuant to Resolution 2005-24, permitting the proposed Rule 144A Private Placement(s) of Senior Subordinated Notes in a total amount not to exceed \$750 million, to proceed without the approval of the full Commission and without satisfying the “two meeting requirement” of 68 IAC 5-3-2(2) and (3).

SECTION 5: EFFECTIVE DATE

This resolution is effective immediately.

ADOPTED THIS THE 23rd DAY OF JUNE, 2005.

THE INDIANA GAMING COMMISSION:

Harold Calloway, Chair

ATTEST:

Donald R. Vowels, Secretary